

10 August 2018

Communications Alliance Limited

Submitted online: <http://www.commsalliance.com.au/Documents/public-comment/submit-comments>

DR C628:2018 - Telecommunications Consumer Protections (TCP) Code

The Federation of Ethnic Communities' Councils of Australia (FECCA) is the national peak body representing Australia's culturally and linguistically diverse (CALD) communities and their organisations. FECCA provides advocacy, develops policy and promotes issues on behalf of its constituency to Government and the broader community. FECCA strives to ensure that the needs and aspirations of Australians from diverse cultural and linguistic backgrounds are given proper recognition in public policy.

FECCA supports multiculturalism, community harmony, social justice and the rejection of all forms of discrimination and racism so as to build a productive and culturally rich Australian society. FECCA's policies are developed around the concepts of empowerment and inclusion and are formulated with the common good of all Australians in mind.

FECCA would welcome the opportunity to expand on this submission as required. For enquiries please contact FECCA CEO Dr Emma Campbell at emma@fecca.org.au or on (02) 6282 5755.

Recommendations

FECCA recommends that the Draft Telecommunications Consumer Protections Code:

- requires Suppliers to ensure that the Critical Information Summary (CIS) is provided to consumers in a clear, accessible format and that translated materials are available for consumers with low levels of English language proficiency
- requires Suppliers to provide the CIS to consumers before sales are finalised
- reflects an ethical and consumer-centric approach to Selling Practices that puts onus on frontline staff to ensure that consumers have clear and transparent information regarding their products and services
- outlines the ways in which Suppliers train, monitor and evaluate frontline staff to ensure that they can adequately service culturally and linguistically diverse (CALD) consumers
- reflects a more rigorous credit assessment process required by Suppliers, to ensure that consumers are able to meet the ongoing costs associated with their products or services
- includes consistent obligations around Financial Hardship assessment that protect vulnerable consumers from onerous application processes to access assistance.

Discussion

FECCA welcomes changes to the Draft Telecommunications Consumer Protections Code (the Code) that strengthen the protection of consumers, particularly vulnerable CALD consumers. However, FECCA notes that a number of gaps in consumer protection remain.

Critical Information Summary

While Suppliers will be required to 'provide' a copy of the CIS, the Code does require Suppliers to actively draw consumers' attention to the document. FECCA believes that it is important for Suppliers to actively promote the CIS to consumers, particularly in relation to their rights, obligations and entitlements. This includes taking steps to ensure that consumers understand the information provided, especially for vulnerable CALD consumers that may have lower levels of English language proficiency or digital literacy.

FECCA recommends that the CIS is provided to consumers in a clear, accessible format and that translated materials are available for consumers with low levels of English language proficiency. FECCA also recommends the inclusion of a requirement that Suppliers must provide the Critical Information Summary to consumers before sales are finalised and that translated materials be provided for consumers with low levels of English language proficiency, or that they have access to a bilingual worker or interpreter to discuss the CIS.

Selling Practices

FECCA believes that the Code should reflect an ethical and consumer-centric approach to Selling Practices that puts the onus on Suppliers to ensure that consumers have clear and transparent information regarding their products and services.

FECCA believes that Selling Practices should emphasise matching products to needs of consumers and their circumstances, including detailed consideration of the ability to meet ongoing financial payments for products and services. FECCA notes that Suppliers often offer complex bundled packages which may include a product or service that is marketed as 'free', but is actually built into the price of the bundle. In order to protect consumers from misleading or confusing packages, FECCA recommends that the Code requires Suppliers to clearly and transparently communicate what consumers are paying for and the products and services they will receive in return.

Disadvantaged or vulnerable Consumers

FECCA is concerned that the Code gives little consideration to the needs of 'disadvantaged or vulnerable consumers', including CALD consumers. While the Code does outline that 'a Supplier must ensure its Sales Representatives are able to interact with disadvantaged or vulnerable Consumers appropriately', there is no detail provided as to how this will occur in practice.

FECCA recommends that the Code outline the ways in which Suppliers train, monitor and evaluate frontline staff, to ensure that they can adequately service CALD consumers. Measures may include workforce cultural competence training and the hiring of bilingual and bicultural employees or provision of free interpreting services.

Responsible provision of Telecommunications Products

In relation to Responsible provision of Telecommunications Products, FECCA recommends that the Code reflects a more rigorous credit assessment process required by Suppliers, to ensure that consumers are able to meet the ongoing costs associated with their products or services. While the Code contains guidance on what a Credit Assessment *may* include, it is unclear exactly what the process looks like in practice. The Credit Assessment guidance box included in the draft Code is not enforceable, therefore Suppliers are not required to take any of the measures outlined.

FECCA is concerned that if vulnerable CALD consumers are unable to meet the ongoing repayments of products and services, this may result in the default of payments and possible loss of connection to crucial telecommunications services. FECCA believes that a rigorous

Credit Assessment process should be based on matching products and services with the needs and budget of the consumer.

Financial hardship practices

While FECCA commends the changes made to the Code to ensure fair, timely and clear access to financial hardship assessment, FECCA is concerned that the arduous processes often required to qualify for financial hardship remain unaddressed. Consumers may need to go through numerous steps to provide proof of financial hardship, which are particularly onerous for consumers with lower levels of English language proficiency or who may be unfamiliar with the processes and practices of government service providers or Australian financial institutions.

FECCA notes that Financial Hardship Policies differ between Suppliers further adding to the lack of transparency that Suppliers provide around how assessment outcomes are determined. FECCA recommends that the Code include consistent regulations around Financial Hardship assessment in order to protect vulnerable consumers from onerous requirements to access assistance.